

IRVIN CORLEY, JR.  
FISCAL ANALYST  
(313) 224-1076

**City of Detroit**  
**CITY COUNCIL**  
FISCAL ANALYSIS DIVISION  
Coleman A. Young Municipal Center  
2 Woodward Avenue, Suite 218  
Detroit, Michigan 48226  
FAX: (313) 224-2783  
E-Mail: cc-fiscal@city.detroitmi.us

ANNE MARIE LANGAN  
ASSISTANT FISCAL ANALYST  
(313) 224-1078

TO: Christine Beatty, Chief of Staff  
Mayor's Office

FROM: Irvin Corley, Jr., Fiscal Analysis Director

DATE: May 4, 2007

RE: 2007-2008 Budget Analysis

14.

Attached is our budget analysis regarding your department's budget for the upcoming 2007-2008 Fiscal Year.

Please be prepared to respond to the issues/questions raised in our analysis during your scheduled hearing. We would then appreciate a written response to the issues/questions at your earliest convenience subsequent to your budget hearing. Please forward a copy of your responses to the Councilmembers and the City Clerk's Office.

Please contact us if you have any questions regarding our budget analysis.

Thank you for your cooperation in this matter.

IC:ss

Attachment

cc: Councilmembers  
Council Divisions  
Auditor General's Office  
Roger Short, Finance Department Director  
Pamela Scales, Budget Department Director  
Tanya Stoudemire, Budget Department Team Leader  
Kandia Milton, Mayor's Office

## Mayor's Office (33)

### FY 2007-2008 Budget Analysis by the Fiscal Analysis Department

#### Summary

The Mayor's Office is a General Fund agency that executes the Mayor's vision to provide customer service excellence for citizens, businesses, and tourists by addressing constituent concerns and implementing new initiatives with efficiency and professionalism. The Executive Office is the administrative component of the executive branch of the City government.

The Mayor's 2007-2008 Proposed Budget includes City and grant appropriations totaling \$12.7 million for the Mayor's Office, which is an increase of \$893,000 or 7.6% from the 2006-2007 Budget of \$11.8 million. The Mayor's 2007-2008 Proposed Budget also includes \$1.3 million in City and grant revenues. The Department's net tax cost to the City is \$11.4 million, an increase of \$640,000 over the current fiscal year.

#### 2006-2007 Surplus/(Deficit)

The estimated surplus from the Mayor's Office for fiscal year 2006-2007 is a net \$220,954. This surplus is the result of a reimbursement of Next Detroit Neighborhood Initiative (NDNI) staff.

#### Overtime

The Mayor's Proposed Budget for 2007-2008 does not include overtime for this department, the same as the current fiscal year. As of March 31, 2007, the Mayor's Office has expended \$2,895 on overtime.

#### Personnel and Turnover Savings

The Mayor's Proposed Budget for 2007-2008 projects turnover savings in the amount of \$218,330.

The Mayor's 2007-2008 Proposed Budget includes an increase of five (5) positions consisting of three (3) Grant positions, one (1) position added in Consumer Advocacy and one (1) position added in the Detroit Call Center.

Appropriation/Program	Budgeted	Filled	Mayor's	Over/(Under)	Mayor's
	Positions	Positions	Budget	Actual to	Recommended
	FY 2006-07	3/31/2007	FY 2007-08	06/07 Budget	Turnover
<b>Mayor's Office (33):</b>					
<b>00096 Executive Office</b>	<b>48</b>	<b>51</b>	<b>48</b>	<b>3</b>	<b>\$ 173,000</b>
330015 Neighbor. City Halls-Admin.	5	5	5	0	\$ -
330020 Neighbor. City Halls	17	20	17	3	\$ -
<b>00097 Neighborhood City Halls</b>	<b>22</b>	<b>25</b>	<b>22</b>	<b>3</b>	<b>\$ -</b>

33022 Detroit Call Center	25	24	26	(1)	\$	45,330
30030 Foundation Liaison/Grants Manage	0	0	2	0	\$	-
330044 Consumer Advocacy	2	0	3	(2)	\$	-
330055 Senior Advocacy	3	3	3	0	\$	-
<b>FG10 General Fund Group</b>	<b>30</b>	<b>27</b>	<b>34</b>	<b>(3)</b>	<b>\$</b>	<b>-</b>
330077 Outreach and Assistance	2	2	0	0	\$	-
330078 Outreach and Assistance 07/08	0	0	2	0	\$	-
330310 Single Point of Entry 07/08	0	0	1	0	\$	-
<b>FG20 Special Revenue Fund Group</b>	<b>2</b>	<b>2</b>	<b>3</b>	<b>0</b>	<b>\$</b>	<b>-</b>
33XXXX Leave of Absence	0	(1)	0	(1)	\$	-
33XXXX Unmatched Positions	<u>0</u>	<u>2</u>	<u>0</u>	<u>2</u>	<u>\$</u>	<u>-</u>
<b>TOTAL</b>	<b><u>102</u></b>	<b><u>106</u></b>	<b><u>107</u></b>	<b><u>4</u></b>	<b><u>\$</u></b>	<b><u>218,330</u></b>

### Proposed Layoffs and Position Changes

The Mayor's Proposed Budget for 2007-2008 does not include any layoffs.

### Significant Changes in Funding by Appropriation

#### Appro.      Program

00096	Executive Office	<p>The appropriation for the Executive Office is \$6.8 million for fiscal year 2007-2008. This is a decrease of \$0.1 million from the fiscal year 2006-2007 Budget of \$6.9 million.</p> <p>This decrease is primarily due to a \$207,255 decrease Employee Benefits; a \$42,981 increase in Operating Services and a \$41,252 increase in various other expenses in the Executive Office.</p>
04857	Grants Management	<p>This new program costing \$330,000 in 2007-08, supports the Mayor's Next Detroit Neighborhood Initiative. The two positions are funded from the Knight Foundation.</p>
00097	Neighborhood City Halls	<p>The appropriation for Neighborhood City Halls is \$2.1 million for fiscal year 2007-2008. This is an increase of \$48,814 or 2.4% from the fiscal year 2006-2007 budget of \$2.0 million.</p>
12158	Detroit Call Center	<p>The Detroit Call Center's goals are designed to make city services more accessible to the citizens of the City of</p>

Detroit. The appropriation is \$2.0 million for fiscal year 2007-2008, an increase of \$521,579 or 35% from the \$1.5 million budget from fiscal year 2006-2007. The increase includes increases in salaries and employee benefits, operating supplies, operating services, capital equipment and other expenses.

<u>Budgeted Professional and Contractual Services by Activity</u>	<u>FY 2006-07 Budget</u>	<u>FY 2007-08 Recommended</u>	<u>Increase (Decrease)</u>
Executive Office	\$ 137,500	\$ 147,500	\$ 10,000
Neighborhood City Halls	26,500	14,000	(12,500)
<b>Total</b>	<b><u>\$ 164,000</u></b>	<b><u>\$ 161,500</u></b>	<b><u>\$ ( 2,500)</u></b>

### Issues and Questions

1. How is the Citizens Patrol Program monitored?
2. What is the status of the reintroduction of the Square Mile Program (page 33-2)?
3. How soon will citizens be able to pay their taxes and parking tickets at NCH locations (page 33-9)?
4. This year's surplus in the Mayor's office is due to a reimbursement of Next Detroit Neighborhood Initiative staff. Did this reimbursement come from the Knight Foundation? If not, from whom?
5. Please explain why \$218,330 in turnover savings is being taken when there are actually 5 positions over budget as of April 1, 2007, and next year's recommended increase of 5 positions are apparently already filled?
6. Which five small businesses have received loans through the Small Business Detroit Micro-loan Program? How much were the loans and what type of businesses are they (page 33-3).
7. When will the announcement of the second phase of neighborhoods to receive the Neighborhood Enterprise Zone tax abatement take place (page 33-3)?
8. The Administration assumed there would be 6,000 applicants taking advantage of the tax break offered by the first phase of the Neighborhood Enterprise Zones, but as indicated on page 33-2, only 1,885 homeowners applied for the tax break. Why not consider declaring a much larger part of the City, if not the entire City, a Neighborhood Enterprise Zone, since it appears a large amount of homeowners will not apply for the break?